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# Foreign CROPS AND MARKETS

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UNITED STATES DEPARTMENT OF AGRICULTURE  
FOREIGN AGRICULTURAL SERVICE  
WASHINGTON 25, D. C.



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EXPORT "E" AWARD INTEREST GROWS

The Presidentially proclaimed program for "BIG E" flag awards for U.S. export expansion effort and accomplishment is gaining momentum.

Nominations for the award are being submitted in increasing number, reflecting interest in the plan to accord special recognition to business firms, trade groups, and individuals who have made noteworthy contributions to increase U.S. agricultural and other exports.

The President's "E" Award for export expansion is a peacetime revival of the Army-Navy "E" citation for wartime production efficiency. It is a flag with a blue "E" upon a white background. The wartime award flag was a white initial upon a blue background.

President Kennedy established the export award program by proclamation last December. In doing so, he said that more exports will mean a stronger, and more prosperous America and greater assurance of a free world. At the same time he expressed hope that "all Americans will regard the new 'E' symbol as an incentive to their best effort."

# WEST GERMAN TOBACCO IMPORTS CONTINUE TO RISE

West German duty-paid imports of unmanufactured tobacco during the first 9 months of 1961 were 145.3 million pounds--8.8 million larger than the January-September 1960 level of 136.5 million.

Increased takings from most suppliers more than offset reduced imports from Brazil, Greece, Indonesia, Canada, and Cuba. Imports of U.S. leaf were 4.2 percent greater than the 43.7 million pounds in January-September 1960. However, the U.S. percentage share of West German total imports continued to decline, amounting to 31.3 percent in January-September 1961, compared with 32.0 percent for the comparable period in 1960.

There were significant increases in imports from Italy and Japan, with combined takings from those two countries amounting to 15.6 million pounds, compared with 12.1 million in January-September 1960. Other countries showing sizable gains included Bulgaria, the Soviet Union, Yugoslavia, Thailand, and the Dominican Republic.

TOBACCO, UNMANUFACTURED: West Germany, duty-paid imports,  
by country of origin, January-September 1959-1961

Country of origin	January-September		
	1959	1960	1961
	1,000	1,000	1,000
	pounds	pounds	pounds
United States.....	42,484	43,693	45,546
Greece.....	25,705	25,948	24,854
Italy.....	5,891	8,593	10,934
Rhodesias-Nyasaland.....	7,185	10,177	10,930
Turkey.....	9,374	8,499	8,767
Indonesia.....	5,296	6,707	6,480
Brazil.....	5,858	6,600	6,177
Bulgaria.....	3,596	4,148	5,696
Japan.....	2,813	3,549	4,697
Colombia.....	3,383	4,175	4,228
Dominican Republic.....	3,485	2,437	3,028
Soviet Union.....	998	1,640	2,180
Thailand.....	1,381	1,623	1,892
Yugoslavia.....	843	1,069	1,437
Canada.....	1,886	1,300	1,207
Cuba.....	1,724	1,379	374
Others.....	2,869	4,968	6,864
Total.....	124,771	136,505	145,291

Der Aussenhandel der Bundesrepublik Deutschland--Teil II, September 1961.



#### COLOMBIA'S TOBACCO EXPORTS SET NEW RECORD

Colombia's exports of unmanufactured tobacco during the first 9 months of 1961, at 16.8 million pounds, exceeded all previous calendar years.

If the percentage increase for the last three months of 1961 was comparable to that for the first 3 quarters, then total exports for calendar year 1961 approached 20 million pounds, compared with 14.0 million in 1960.

The United States has become Colombia's leading export outlet, surpassing West Germany and France. Shipments to the United States during January-September 1961 totaled 4.8 million pounds, compared with 1.4 million for the same period in 1960.

Other countries increasing their takings of Colombian leaf include France, Belgium, Morocco, the United Kingdom, and Switzerland. Shipments to West Germany, Algeria, and the Netherlands were smaller than in the first 9 months of 1960.

#### BURMA'S CIGARETTE OUTPUT TURNS DOWNWARD

Cigarette output in Burma turned downward during the early part of 1961 after showing a substantial gain since fiscal 1955-56.

Production during the first 7 months of 1961 totaled 697 million pieces, compared with 790 million in January-July 1960. The decline was attributed to a shortage of quality flue-cured tobacco required for blending. Cigarette output during Burma's fiscal 1960-61 (October-September) probably amounted to 1,200 million pieces, or about 12 percent below the 1959-60 fiscal record high of 1,360 million.

Cigarette production during fiscal 1961-62 may be adversely affected due to the increase of the ad valorem tariff rate levied on unmanufactured tobacco from 100 to 150 percent, effective on September 15, 1961. The sales tax was also increased from 5 to 10 percent.

#### SWISS CIGARETTE OUTPUT CONTINUES TO RISE

Cigarette output in Switzerland during the first 9 months of 1961, at 9,143 million pieces, was almost 1 billion greater than the 8,152 million produced in January-September 1960.

Cigarette output during calendar year 1960 totaled 10.9 billion pieces. If the percentage increase for the last quarter of 1961 equaled that for the first 9 months, output for 1961 approximated a record 12.2 billion. The absolute gain in annual production from the previous year's level also set a new record in 1961.

INDONESIA ABOLISHES SYSTEM OF  
"SANDANG-PANGAN" SHOPS

In mid-December Indonesia abolished the system of "sandang-pangan" shops.

These government-operated food and clothing shops sold rationed items at fixed official prices. They have been abolished in an effort to smooth the distribution of essential food and household items to the public.

Cooperatives will handle the distribution of these items in the future.

WEST GERMANY'S CHEESE  
IMPORTS SHOW INCREASE

West Germany imported 181 million pounds of cheese in January-September 1961, an increase of 9 percent over comparable 1960.

The largest suppliers were the Netherlands, 91 million pounds; and Denmark, 62 million pounds. Other important sources were France, Switzerland, Finland, and Norway.

Imports of butter at 32 million pounds were down 9 percent from a year ago. Most 1961 imports came from France (14 million pounds), the Netherlands (5 million pounds), Denmark and Sweden (4 million pounds each).

Canned milk imports of 10 million pounds were supplied almost entirely by France. Some small quantities also were received from the Netherlands.

Imports of dry whole milk were 14 million pounds, about half of which came from France.

Principal sources of 10 million pounds of nonfat dry milk imported in the first 9 months of 1961 were the Netherlands and France.

January-September 1961 exports of cheese dropped from 20 million to 19 million pounds. Leading markets were Italy (12 million pounds) and Belgium (3 million pounds). Most of the remainder went to Austria, Switzerland, and the United Kingdom.

In this same period, West Germany exported 303 million pounds of canned milk and 5 million pounds of nonfat dry milk. Sales of dry whole milk were only 305,000 pounds.

# U.K. EXPORTING MORE DRIED AND CONDENSED MILK

The U.K.'s exports of dried milk and condensed milk increased in the first 11 months of 1961 over the corresponding months of 1960.

Nonfat dry milk shipments rose from 11 million pounds to 27 million. Purchases of 9 million pounds were made by the Netherlands which took only 58,000 pounds in 1960. Sales of about 1 million pounds each were made to Cuba and Switzerland.

Exports of dry whole milk increased to 3 million pounds--1 million pounds higher than a year earlier. Principal outlets were the Malayan Federation, Singapore, Ceylon, and West Germany.

Condensed milk shipments were up 6 percent to 57 million pounds, 38 million pounds of which went to the Malayan Federation. Sales were also made to the usual markets--Singapore, Rhodesia and Nyasaland, and British Borneo.

Exports of evaporated milk from January through November 1961, at 26 million pounds were only 81 percent of comparable 1960. Considerably smaller shipments to the important outlets of India, Singapore, and Malta accounted for this decline.

## AUSTRALIA SETS MINIMUM PRICES FOR CANNING FRUIT

Minimum prices for canning fruit in 1962 have been established by the Australian Fruit Industry Sugar Concession Committee.

Peaches and pears are set at the same level as 1961 and apricots are \$10 per short ton higher. These minimum prices are mandatory for processors who desire to qualify for domestic and export sugar rebates.

For the past 3 canning seasons minimum prices for first-quality canning fruit, delivered either to the grower's railroad siding or to the cannery door, have been:

Kind of fruit	1960	1961	1962
- - - U.S. dollars per short ton - - -			
Apricots.....	60	76	86
Peaches, cling, clear center.....	80	88	88
Peaches, cling, other.....	76	84	84
Peaches, free stone.....	52	60	60
Pears, Bartlett.....	76	84	84
Pears, Packham's Triumph.....	60	68	68



# AUSTRALIAN MEAT SHIPMENTS TO THE UNITED STATES

Five ships left Australia the second and third weeks of January with 2,927,680 pounds of beef and 273,280 pounds of mutton for the United States.

Ship	Sailing date	Destination 1/	Arrival date	Cargo	Quantity
					<u>Pounds</u>
Sierra.....	Jan. 9	Los Angeles	Jan. 28	Beef	235,200
		San Francisco	" 31	Beef	257,600
		Seattle	Feb. 6	Beef	138,880
		Portland	" 8	Beef	67,200
African Reefer.....		Los Angeles	Feb. 14	Beef	125,440
		" "	" "	Mutton	78,400
		San Francisco	" 17	Beef	71,680
		" "	" "	Mutton	22,400
		Seattle	" 22	Beef	17,920
Monterey.....	Jan. 11	San Francisco	Jan. 28	Beef	510,720
		" "	" "	Mutton	17,920
		Los Angeles	Feb. 2	Beef	44,800
Pioneer Isle.....	Jan. 11	Charleston	Feb. 11	Beef	168,000
		"	" "	Mutton	33,600
		Boston	" 15	Beef	96,320
		New York	" 20	Beef	418,880
		Philadelphia	" 22	Beef	73,920
		Baltimore	" 24	Beef	118,720
		"	" "	Mutton	38,080
Martha Bakke.....	Jan. 17	Seattle	March 6	Beef	156,800
		Los Angeles	" 27	Beef	358,400
		" "	" "	Mutton	56,000
		San Francisco	April 1	Beef	67,200
		" "	" "	Mutton	26,880

1/ Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale.

## OCEANIC-U.S. MEAT FREIGHT RATES REDUCED

An 8-percent decline in meat freight rates from Australia and New Zealand to the U.S. West Coast has become effective.

The new basic Pacific Coast Conference rate is 3.75 cents per pound for boxed frozen meats. This adjustment equalizes freights to both east or west coasts. The new rates also apply for shipments to Hawaii and Western Canada. Farm interests "down under" are pleased with this development as lower freight rates increase farmers returns.

# WEST GERMAN HOG SLAUGHTER TO INCREASE 8 PERCENT

West German hog slaughter for 1962 is estimated to be 23,500,000 head, 8 percent above 1961 when 21,698,000 head were killed.

Hog numbers in West Germany reached a record 17.2 million head on December 4, 1961 and were 9 percent above the same month of 1960. The number of bred sows was 4 percent higher than in 1960. However, further increases in numbers during the spring of 1962 are not likely because of reduced supplies of feed grains and potatoes.

The expected increase in slaughter will be partially offset by a reduction in imports of hogs, pork, and pork variety meats. In 1961 West Germany imported about 374 million pounds of hogs, pork, and pork variety meats. West Germany is committed by trade agreements to import only about 320 million pounds of these products in 1962.

West German Hog Slaughter, 1961 and estimates for 1962

Period	: Actual : 1961 : head	: Estimated : 1962 : head	: Percent : change : Percent
January-March.....	5,877	6,450	+9.7
April-June.....	4,837	5,300	+9.6
July-September.....	4,654	5,050	+8.5
October-December.....	6,330	6,700	+5.8
Total.....	21,698	23,500	+8.3

Federal Ministry of Food, Agriculture, and Forestry.

## U.S. MOHAIR EXPORTS UNCHANGED FROM 1960

U.S. mohair exports totaled 13.5 million pounds in 1961, unchanged from 1960.

The United Kingdom remained the largest market although purchases dropped nearly one-fifth from the previous year and nearly one-third from the 1959 total. Japan became the second largest market taking just about 2.1 million pounds, up from 0.6 million in 1960.

Prices received by U.S. growers since August have averaged more than 10 percent above the level of the last 4 months of 1960. During the same period exports have tended to lag behind the corresponding period in 1960. Exports in November and December 1961 dropped 65 percent below the same 2 months last year.

MOHAIR 1/: U.S. exports by country of destination, clean content  
annual 1958-61

Destination	1958	1959	1960	1961 <u>2/</u>	Increase (+) or decrease (-) 1961
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United Kingdom.....	8,115	10,431	8,811	7,246	-1,565
Netherlands.....	3,046	4,407	1,670	1,765	+95
Belgium.....	854	1,148	836	1,167	+331
Japan.....	263	811	622	2,088	+1,466
Canada.....	247	193	404	323	-81
Italy.....	37	657	455	379	-76
Germany, West.....	369	627	293	138	-155
Switzerland.....	190	69	84	209	+125
Others.....	89	218	336	208	-128
Total.....	13,210	18,561	13,511	13,523	+12

1/ Includes other wool-like specialty hair. 2/ Preliminary.

Bureau of the Census.

#### PHILIPPINES CONTINUES BAN ON BUFFALO SLAUGHTER

The Republic of the Philippines is extending its ban on slaughter of Water Buffalo through December 31, 1962.

Philippine farm authorities are still interested in increasing animal draft power so as to become self-sufficient in staples, such as rice and corn, within the next few years.

The ban on Carabao slaughter has been in effect since January 1954. The increase in numbers on farms, however, in 1954-60 was only 24 percent in contrast to a 45-percent increase in cattle. Provincial veterinarians or the commander of the Provincial Philippine Constabulary supervise issuance of permits to slaughter overaged or unsound animals.

# NEW ZEALAND MEAT SHIPMENTS FOR FEBRUARY

Five ships are scheduled to sail from New Zealand in February with 14,336,000 pounds of meat for the United States--11,648,000 pounds for the East Coast and 2,688,000 pounds for the West Coast.

Ship	Sailing date	Destination	Quantity
			<u>1,000 lbs.</u>
Mariposa.....	February 3	West Coast	336
Cap Domingo.....	" 9	" "	2,016
Monterey.....	" 27	" "	336
Whakatane.....	February 6	East Coast	672
Imperial Star.....	" 16	" "	10,976

## RICE SURPLUS IN MEXICO

Mexico has 30,000 to 40,000 metric tons of milled rice for export in 1962.

The 1961-62 crop (principally December to February) is officially estimated at a record 428,000 metric tons of rough rice, 30 percent more than the 328,000 tons in 1960-61. Rice acreage increased from 352,000 acres to 414,000.

Current rice stocks are reported at a record level, and domestic rice prices are declining.

Mexico's rice consumption during 1962 is expected to increase sharply over 1961 as a result of the abundant supplies and prospective limited export market. At the present time, possible buyers are Venezuela, Czechoslovakia, Canada, and Cuba.

The 1962-63 acreage will decline because of water scarcity in north-western Mexico, where growers are expected to reduce acreage by about 85,000 acres. In that area, all plantings in the Yaqui Valley of Sonora and of upland rice in Sinaloa are prohibited in order to conserve water. Acreage in the rest of the country should be about the same as, or rise slightly above, that of the preceding season. A tentative forecast of 1962-63 acreage is about 350,000 acres, or about the level of 2 years earlier.



## MEXICO INCREASES IMPORT DUTY ON WHEAT AND CORN FLOUR

Mexico has increased its ad valorem import duties on wheat flour from 35 to 45 percent, and on corn flour from 40 to 50 percent.

The value used as a basis for the duty on wheat flour imports is a government-fixed price of 2.20 pesos per net kg. (\$7.99 per 100 pounds) or the invoice value, whichever is higher. The basis for the tariff on corn flour imports is an official price of 2.85 pesos per net kg. (\$10.35 per 100 pounds), or the invoice value, whichever is higher. Using the government-fixed prices as a basis, these tariffs now are .99 peso per kg. (\$3.60 per 100 pounds) for wheat flour and 1.43 pesos per kg. (\$5.18 per 100 pounds) for corn flour.

In addition, Mexico levies a specific wheat flour duty of .10 peso per net kg. (36.3 cents per 100 pounds). The corn flour duty is .20 peso per kg. (73 cents per 100 pounds). Imports of these flours are also subject to a surtax of 3 percent of the totals of the above duties. The grand total for wheat flour is 1.12 pesos per kg. (\$4.08 per 100 pounds) and for corn flour 1.68 pesos per kg. (\$6.09 per 100 pounds). Imports of these flours are not controlled by any non-tariff restrictions except in the case of wheat flour, permits must be obtained from the Ministry of Industry and Commerce.

Mexico has been getting the bulk of its wheat flour and corn flour imports from the United States. The Mexican Government's stated reason for the increases in the ad valorem duties is to use the proceeds to "promote exportation of domestically produced goods." However, the increases will also significantly strengthen Mexico's tariff protection of a number of domestic industries against foreign competition.

## TAIWAN HARVESTS RECORD RICE CROP

Taiwan's fall rice crop of 1961 (harvested October to December) is estimated at a record 1,355,000 metric tons of rough rice.

On the average, the second crop is slightly over half of Taiwan's annual rice production. The 1961 spring crop harvested June and July was also good. With its harvest estimated at 1,296,000 tons, 1961 production totaled a record 2,651,000 tons, compared with 2,493,000 in 1960.



## BRAZIL INCREASES PRODUCER WHEAT AND CORN PRICES

Brazil has fixed the guaranteed producer base price of 1961-62 crop wheat at 1,560 cruzeiros per 60 kg. bag.

This is a 42 percent increase over the 1960-61 price of 1,100 cr. per 60 kg. bag. At the current free market exchange rate of 307.9 cr. per U.S. dollar, the former price converts to \$2.30 per bushel.

However, the value of the cruzeiro relative to the U.S. dollar has declined. At the January 1, 1961 free market exchange rate of 230 cr. per dollar, the 1,100 cr. per 60 kg. price converts to \$2.17 per bushel. Upon the basis of \$2.17, there was an increase of only 6 percent. In Brazil, wheat is harvested during November to January.

The designated base price is for wheat of a weight of 78 kg. per hectoliter (60.6 pounds per bushel). Other prices ranging from 1,230 to 1,650 cr. per 60 kg. have been fixed for weights increasing from 65 to 84 kg. per hectoliter. The average is 1,488.8 cr. per 60 kg. (\$2.19 per bushel).

All of these prices are for good, clean, dry wheat in bulk, f.o.b. the interior of the producing states. When the farmers sell wheat in bags, the prices are increased by the value of the bags up to a maximum of 100 cr. per bag (14.7 cents per bushel). The purpose of the 42 percent increase is to offset the depreciation of the cruzeiro and encourage increased domestic wheat production.

Prior to January 31, Brazilian farmers sold 1961-62 crop wheat at the above prices only to flour mills and other private buyers. After that date and until March 31, the Government will buy at the same prices, all wheat offered to it, but farmers will have the option of continuing to sell to private buyers.

Brazil has always been a deficit wheat producer by a wide margin. The Government imports all of the country's requirements of foreign wheat, and during 1961-62 is selling it to the flour mills at 1,560 cr. per 60 kg. (\$2.30 per bushel) in bulk, c.i.f. the ocean ports of import. (1,560 cr. per 60 kg. is the producer base price for domestic wheat).

The Government Wheat Expansion Service fixes annual quotas of imported and domestic wheat for the flour mills. The quotas for each calendar year are based upon advance estimates of the country's total requirements, domestic production, and import requirements of wheat for the year. The estimates are made by the Minister of Agriculture. The mills share proportionately in additional wheat that may be imported during any year.

The Wheat Expansion Service will require the flour mills to purchase from the Government specified quantities of the domestic wheat which the latter will have purchased from farmers by March 31. The Government will sell this wheat to the mills at the price of imported wheat plus the costs it incurred in buying, handling, and transporting it to the mills.

Brazil's 1961-62 guaranteed minimum producer prices of corn are 861 cr. per 60 kg. bag (\$1.18 per bushel) for hard type, yellow corn and 820 cr. per bag (\$1.13 per bushel) for the soft, mixed, yellow types. These prices are for corn in new bags, f.o.b. the principal consuming centers of Sao Paulo, Belo Horizonte, and Curitiba, and ocean ports at the producer's convenience.

These prices are greatly above the corresponding 1960-61 prices, which averaged 307.5 cr. per bag. As in the case of wheat, the reason for the increases is to offset the depreciation of the cruzeiro and to stimulate corn production. In Brazil, the farmers sell corn only to private buyers.

Brazil does not fix support prices for any other cereal grains.

#### CHILIAN LENTIL AND BEAN HARVEST NOW UNDERWAY

The 1962 lentil harvest now underway in Chile is unofficially estimated at 375,000 bags, about the same as last year.

Current prices, f.o.b. Valpariso, for 7, 6, and 5 mm. lentils are \$12.95, \$10.35, and \$7.35, respectively. The 1962 exports of 5 mm. lentils are limited to 65,000 bags by an export quota to protect domestic consumers who normally use these smaller lentils.

The 1962 bean harvest is unofficially estimated at 1.8 million bags, a decrease of nearly 6 percent below a year ago.

Of this production, about 480,000 bags are export varieties. Production of Arroz is down to 180,000 bags compared with 210,000 in 1961, output of Cristales beans is up to 160,000 bags from 155,000, and red kidney production remains stable at 90,000 bags.

U.S. EXPORTS OF INEDIBLE TALLOW AND  
VARIETY MEATS SET RECORD IN 1961

U.S. exports of inedible tallow, beef and veal, lamb and mutton, variety meats, hog casings, and hides and skins were higher in 1961 than in 1960, reflecting the competitive prices for these items in world markets.

Exports of inedible tallow and greases in calendar year 1961 were 1,814 million pounds, six percent above 1960 and a new record high. Japan was the largest market, taking over 400 million pounds, the Netherlands was second, taking 231 million.

Lard exports in 1961 were 32 percent below 1960 because U.S. prices were relatively high and because of increased competition from Western European exporters. Shipments to the United Kingdom, the major market, were 280 million pounds--20 percent less than in 1960. Exports to Cuba were 43 million pounds in 1961, most of which left the United States before July, compared with 190 million pounds during all of 1960.

Exports of edible tallow and greases in 1961 were about 12 million pounds, or about 38 percent less than the 20 million pounds shipped in 1960.

Red meat exports in 1961 were 2 percent below shipments in 1960, beef and veal shipments were 2 percent larger than during the previous year, and lamb and mutton exports rose 8 percent. However, pork shipments dropped 2 percent in 1961, mostly in the last half of the year, as shipments to Canada fell sharply as Canadian hog slaughter increased. The major cause of lower red meat exports was the loss of markets for canned meat.

Variety meat shipments of 124 million pounds were 2 percent higher than in 1960, and set a new record. Major markets for variety meats include West Germany, the Netherlands, France, and the United Kingdom.

Exports of hog casings were 24 percent larger in 1961 than in the previous year. Shipments of other natural casings (mostly beef) declined 2 percent.

Hide and skin exports in 1961 were higher for all categories. Calf skin shipments rose 21 percent, kips 15 percent, cattle hides 11 percent, and sheep and lamb skins 3 percent.

LIVESTOCK PRODUCTS: U.S. exports of selected items, December 1960 and 1961  
and annual 1960 and 1961, with percentage change

(Product weight basis)

Commodity	December			Annual		
	1960	1961	Percent change	1960	1961	Percent change
	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent
Lard.....	49,381	13,589	-72	620,010	418,637	-32
Inedible tallow and greases <u>1</u> /.....	153,987	169,581	+10	1,704,523	1,813,897	+6
Edible tallow and greases <u>2</u> /.....	953	861	-10	19,759	12,205	-38
Meat:						
Beef and veal.....	2,618	2,104	-20	29,390	29,906	+2
Pork.....	6,578	5,520	-16	69,365	68,295	-2
Lamb and mutton.....	88	121	+38	1,494	1,616	+8
Sausage:						
Except canned.....	238	133	-44	2,399	2,301	-4
Canned.....	74	77	+4	1,086	1,041	-4
Baby food, canned.....	170	106	-38	2,194	1,237	-44
Other canned meats.....	84	163	+94	1,675	1,166	-30
Total red meat.....	9,850	8,224	-17	107,603	105,562	-2
Variety meat.....	12,149	10,502	-14	121,080	123,894	+2
Sausage casings:						
Hog.....	834	1,052	+26	9,307	11,578	+24
Other natural.....	422	467	+11	6,678	6,567	-2
Mohair.....	2,013	497	-75	13,511	13,523	--
Hides and skins:	1,000 pieces	1,000 pieces		1,000 pieces	1,000 pieces	
Cattle.....	691	808	+17	6,889	7,639	+11
Calf.....	207	120	-42	1,647	1,992	+21
Kip.....	45	29	-36	482	556	+15
Sheep and lamb.....	252	155	-38	2,357	2,416	+3

1/ Includes inedible tallow, oleic acid or red oil, stearic acid, and other inedible animal greases, fats, and oils. 2/ Includes edible tallow, oleo oil and stearin, oleo stock and shortenings, animal fat, excluding lard.

U.S. Department of Commerce



#### ARGENTINA EXTENDS PERIOD FOR FLAXSEED EXPORTS

Argentina has announced that the period for fulfilling the 30,000 metric ton export quota for flaxseed has been extended to April 30, 1962. The quota, equivalent to 1.2 million bushels, was authorized in March 1961 for the remainder of the marketing year 1960-61 (beginning December 1).

The announcement points out that additional time should be allowed for filling the quota in view of the large crop (30 million bushels) recently harvested. The crop will adequately meet the needs of the domestic oil industry.

Prior to announcement of the above quota of 30,000 tons, the government in July 1960 had authorized exports of 130,000 tons of flaxseed (5.1 million bushels) following a continuing ban on exports of seed since 1954.

Flaxseed exports in 1960 totaled 55,762 tons (2.2 million bushels) and in 1961, 89,172 tons (3.5 million bushels). Consequently, out of the total quotas of 160,000 tons (6.3 million bushels), there were 144,934 tons (5.7 million bushels) exported from July 1960 through December 31, 1961. This left 15,066 tons (0.6 million bushels) to be exported by April 30, 1962.

#### SPANISH OLIVE OIL ESTIMATE LOWERED

Heavy rains throughout Spain during the current olive harvest season have reduced the prospects for Spain's 1961-62 olive oil outturn by about 10 percent.

Early forecasts had placed Spain's total olive oil production for the current year at 440,000 short tons. This estimate, in view of the harvest losses, has now been cut to 400,000 tons. The revised forecast is one-fourth less than the estimate of Spain's 1960-61 olive oil production of 550,000 tons.

The rains and resulting floods during November and December generally caused large quantities of olives to fall to the ground, rendering them unusable, and delaying the harvest.

#### MALAYAN PALM OIL AND KERNEL EXPORTS DECLINE

Palm oil exports from the Federation of Malaya and Singapore, in January - March, 1961, declined slightly from the volume exported in the corresponding quarter of 1960.

Official statistics, available only recently, show marked declines in the quantities sent to the United Kingdom and India, and sharp increases in the tonnages sent to Canada and Iraq.



Simultaneously, exports of palm kernels declined roughly one-third from the volume in the January-March quarter of 1960. Tonnages to both Western Europe and Japan declined.

PALM OIL AND PALM KERNELS: Federation of Malaya, and Singapore,  
exports by country of destination,  
annual 1960 and January-March 1960 and 1961

Continent and country of destination	Palm oil			Palm Kernels		
	January - March			January - March		
	1960 1/	1960 1/	1961 1/	1960 1/	1960 1/	1961 1/
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
North America:						
Canada.....	10,124	1,067	4,338	---	---	---
Europe:						
Belgium .....	908	---	---	---	---	---
Denmark.....	---	---	---	1,008	560	---
France.....	---	---	---	---	---	---
Germany, West.....	---	---	---	2,184	782	---
Greece.....	---	---	---	1,348	168	1,008
Netherlands.....	565	---	---	3,125	330	82
United Kingdom.....	42,170	12,401	9,001	5,854	539	224
Other.....	2/ 731	---	---	3/ 334	---	---
Total.....	44,374	12,401	9,001	13,853	2,379	1,314
Africa.....	397	---	---	---	---	---
Asia:						
India.....	31,436	9,222	5,369	---	---	---
Iraq.....	17,587	3,024	4,347	---	---	---
Japan.....	336	56	---	13,513	4,109	2,879
Philippines.....	318	---	---	---	---	---
Other.....	4/ 1,451	38	450	225	---	6/ 41
Total.....	51,128	12,340	10,166	13,738	4,109	2,920
Oceania.....	5/ 859	5/ 39	5/ 227			
Grand total.....	106,882	25,847	23,732	27,591	6,488	4,234

1/ Preliminary. 2/ Includes 641 tons to Sweden. 3/ All to Spain.

4/ Includes 1,352 tons to Jordan. 5/ All to Australia.

Compiled from official sources.

CANADIAN TARIFF BOARD HAS HEARINGS  
ON VEGETABLE OILS AND OILSEEDS

The Canadian Tariff Board held public hearings in Ottawa, January 15-18, 1962 to determine the need to increase import duties for the benefit of the domestic oilseed and vegetable oil industry.

Duties proposed by the growers include soybeans, 0.5 cent a pound (30 cents a bushel); oilcake and meals, 0.3 cent a pound (\$6.00 a short ton); and soybean oil (for all purposes), 4 cents a pound. At present Canadian imports of soybeans, oilcake and meal, and soybean oil for industrial use are free. Industrial use includes canning of fish, a major market for imported soybean oil. The duty now charged soybean oil for edible use is 20 percent ad valorem.

Briefs filed with the Board in support of new or increased duties made the following points:

1) An import duty on soybeans is necessary to stimulate domestic production. Returns to Canadian oilseed producers are determined solely by the market price for soybean oil and meal. U.S. soybean producers are indirectly subsidized by support programs and acreage restrictions on other crops.

2) Canadian producers believe import duties would strengthen their position to negotiate for the reduction of duties on Canadian oilseeds imported by other countries. U.S. import duties are soybeans, 2 cents a pound (\$1.20 per bushel); oilcake and meal, 0.3 cents a pound; and crude soybean oil, the greater of 0.35 cents a pound or 45 percent ad valorem.

3) Reduced oilseed imports would assist in improving Canada's balance of trade.

4) Canadian flaxseed growers and processors contend U.S. soybean meal imports displace domestic linseed meal in animal feeds. Thus, lower returns on linseed meal cause higher linseed oil prices.

5) The low import duty and short freight haul of U.S. soybean oil enables Canadian food processors in the Western Provinces to import refined oil at a lower cost than domestic oil.

The groups for low tariffs or none at all presented the following points:

1) Higher duties would not reduce oilseed imports. Soil and climate limit expansion of oilseed production. To meet domestic needs and maintain its small export trade, Canada must continue to be a net importer.

2) Canada's exports of soybeans and soybean meal and oil, mainly to the United Kingdom, have been made possible mostly by the preferential duty treatment extended to Commonwealth countries. A Canadian import duty on U.S. soybeans would increase prices and tend to offset the Commonwealth concession.

3) The entry of the United Kingdom in the European Common Market places greater importance on Canada's need to remain competitive in world markets.

4) Higher duties would increase the costs of the whole oilseed economy, including that of the grower and consumer.

It is expected the Tariff Board will not report on its recommendations to the Minister of Finance before 8 to 10 weeks.

#### EGYPTIAN COTTON EXPORTS FALL

A substantially lower level of activity in most segments of the Egyptian cotton industry is expected this season.

Smaller production has reduced available supplies, and export prospects are uncertain in view of government actions and less demand for extra-long staple cotton in major consuming countries.

Exports during the first 3 months (August-October) of the current season amounted to 160,000 bales (500 pounds gross). This is 35 percent less than 1960-61 shipments, and the smallest export figure for these months since August-October 1956-57 when only 132,000 bales were shipped.

Czechoslovakia became the largest buyer of Egyptian cotton, while the U.S.S.R. slipped to second place. During the period under review, exports from Egypt to Communist countries declined to 83,000 bales or 52 percent of the total outflow, compared with 151,000 bales or 61 percent of the total in the same months a year earlier.

Quantities exported to major destinations from August through October 1961, with comparable 1960 figures in parentheses, were: Czechoslovakia 49,000 bales (33,000); U.S.S.R. 18,000 (80,000); Spain 13,000 (16,000); Austria 12,000 (6,000); West Germany 11,000 (9,000); Japan 10,000 (11,000); India 9,000 (14,000); and France 8,000 (9,000).

The Egyptian Government has announced intentions to increase exports to non-Communist countries by taking a more active role in cotton marketing. In line with these intentions, the government has apparently nationalized all cotton marketing under a central organization in an effort to expand bilateral trade agreements with non-Communist countries.

(Continued on next page)



Exports during the full 1961-62 season are now expected to fall substantially short of last season's outflow of 1,582,000 bales, and likely will also be well under average annual exports of 1,396,000 in the past 5 seasons. Prices of Egyptian cotton on world import markets have been at levels about midway between late 1960 and the record lows of early 1959. Quotations for Karnak FG, c.i.f. Liverpool, averaged U.S. 44.90 cents per pound in December 1961 compared with 48.51 cents in December 1960, and 32.00 in March 1959.

Egypt's 1961-62 crop is estimated at 1,590,000 bales, 28 percent below the near-record 2,196,000 grown last season, and 18 percent under average annual production of 1,939,000 bales in the past 5 seasons. Despite an increase in acreage to 2,060,000 acres in 1961-62 from 1,944,000 last season, production in the current season dropped sharply because of severe leaf worm damage, unfavorable weather, and flooding in some areas.

Cotton consumption this season in Egypt probably will remain near the 545,000 bales used in 1960-61. During the first quarter of the current season, domestic offtake rose around 9 percent above the 129,000 bales in the corresponding 1960-61 period. As is customary, Ashmouni accounted for about three-fourths of the cotton used.

In spite of the cloudy outlook for exports, stocks this season could ease considerably from the 475,000 bales on hand August 1, 1961, because of the smaller crop and favorable level of consumption.

#### U.S. COTTON EXPORTS BEHIND LAST SEASON

U.S. exports of cotton (all types) totaled 2,207,000 running bales in the first 5 months (August-December) of the current season. This figure is 10 percent less than the 2,447,000 bales shipped in the corresponding period of 1960-61.

Exports are expected to decrease further as the season progresses, and the present forecast for the full 1961-62 season is around 5 million running bales. This estimate is considerably below the 6.6 million shipped last season, and annual average exports of just under 6 million in the past 5 seasons. Registrations for export under the 1961-62 payment-in-kind program totaled 3,403,000 running bales as of February 2, compared with 5,413,000 on approximately the same date a year earlier.

Exports in the month of December were 537,000 bales, 34 percent above shipments of 402,000 in the preceding month, but 45 percent below exports of 981,000 in December 1960.

COTTON: U.S. exports by country of destination, average 1950-54, annual 1958-60, August-December, 1960-61 and 1961-62

Country of destination	(Running bales)					
	Year beginning August 1					
	Average: 1950-54:	1958	1959	1960	August-December 1960-61:	1961-62
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria.....	37:	15:	29:	35:	10:	16
Belgium & Luxembourg.....	117:	48:	224:	179:	100:	52
Denmark.....	27:	8:	23:	23:	6:	5
Finland.....	12:	12:	32:	29:	17:	16
France.....	416:	194:	668:	549:	222:	173
Germany, West.....	368:	101:	582:	421:	158:	134
Italy.....	364:	148:	592:	454:	186:	206
Netherlands.....	122:	20:	224:	179:	80:	56
Norway.....	14:	1:	17:	14:	4:	6
Poland & Danzig.....	1/	89:	71:	228:	108:	0
Portugal.....	7:	12:	13:	25:	12:	12
Spain.....	135:	283:	66:	171:	154:	155
Sweden.....	50:	33:	103:	101:	37:	49
Switzerland.....	40:	11:	104:	99:	45:	50
United Kingdom.....	417:	202:	593:	371:	126:	144
Yugoslavia.....	83:	146:	48:	88:	42:	71
Other Europe.....	9:	3:	21:	8:	3:	2
Total Europe.....	2,218:	1,326:	3,410:	2,974:	1,310:	1,147
Australia.....	30:	39:	63:	49:	26:	22
Canada.....	297:	85:	309:	259:	92:	170
Chile.....	23:	2:	54:	51:	20:	11
Colombia.....	30:	20:	0:	0:	0:	0
Cuba.....	18:	9:	40:	2:	2:	0
Ethiopia.....	6:	0:	15:	4:	2:	5
Hong Kong.....	8:	123:	276:	219:	45:	32
India.....	246:	77:	431:	599:	214:	22
Indonesia.....	18:	16:	52:	36:	17:	29
Israel.....	12:	12:	18:	9:	4:	2
Japan.....	837:	521:	1,755:	1,746:	504:	446
Korea, Republic of.....	76:	219:	270:	195:	59:	122
Morocco.....	8:	10:	11:	9:	4:	8
Philippines.....	9:	93:	126:	149:	65:	32
South Africa, Rep. of.....	6:	14:	44:	51:	23:	28
Taiwan (Formosa).....	84:	178:	203:	176:	32:	59
Thailand.....	1:	1/	20:	23:	4:	13
Uruguay.....	2:	21:	32:	18:	2:	8
Vietnam, Laos & Cambodia 2/.....	14:	1/	10:	26:	6:	14
Other countries.....	34:	24:	43:	37:	16:	37
Total.....	3,977:	2,789:	7,182:	6,632:	2,447:	2,207

1/ Less than 500 bales. 2/ Indochina prior to 1958.

Compiled by Cotton Division, FAS, from Bureau of Census records.



## MEXICAN COTTON TRANSSHIPMENTS CONTINUE SMALL

Transshipments of Mexican cotton through U.S. ports totaled 46,000 bales (500 pounds gross) in September.

This is 25 percent less than the 61,000 bales transshipped in August, and less than half as large as the flow in September 1960 of 107,000 bales. Shipments during the first 2 months (August-September) of this season amounted to 107,000 bales, substantially below the 196,000 shipped in the same 1960 period.

Quantities transshipped to principal destinations in August-September 1961, with comparable 1960 figures in parentheses, were: Japan 30,000 bales (13,000); West Germany 16,000 (54,000); Spain 16,000 (7,000); France 12,000 (43,000); Italy 9,000 (27,000); Switzerland 3,000 (7,000); Belgium 3,000 (10,000); and Australia 3,000 (4,000). Most August-September transshipments moved through Brownsville, with smaller quantities going through Galveston, San Diego, and Houston.

## DENMARK INCREASES FRUIT JUICE QUOTAS; OPENS FOR FRESH GRAPES

Denmark has increased the global quota for citrus and pineapple juices in retail-size container.

The quota, announced January 17, was increased from 200,000 kroner (about \$29,000) to 300,000 kroner (about \$43,500), for the period of January 1 to June 30, 1962.

Also effect January 1, licenses are being granted for the importation of grapes from the United States. No quota has been announced, but it is reported that licenses have been granted in amounts equal to 50,000 kroner (approx. \$7,250). Previously grape imports came from Italy and Spain under special bilateral arrangements.

## EMBARGO BLOCKS U.S. MARKET FOR CUBAN AGRICULTURAL EXPORTS

From Cuba's independence in 1902 until mid-1960 the United States was the principal market for Cuban agricultural exports.

Since the cessation of sugar purchases in July 1960, cigar-type tobacco has been by far the principal U.S. import from Cuba. Unmanufactured tobacco purchases from Cuba totaled \$26.0 million in 1960 and were valued at \$24.1 million for the first 11 months of 1961.

In recent years the United States has taken about 75 percent of Cuba's unmanufactured tobacco exports by value. Cuban sales of this commodity in 1958 totaled \$37.3 million of which \$28.8 million went to the United States, \$2.5 million to Spain, \$1.4 million to the Netherlands, \$500 thousand to Canada, and small amounts to other countries.

Tobacco is harvested in Cuba during January, February, and early March. There were no indications of a cutback in the area planted to tobacco in anticipation of the U.S. embargo. Therefore, it is presumed that the present harvest will be about the same of recent years. What Cuba intends to do with the cigar leaf tobacco formerly exported to the United States remains unknown.

The President proclaimed an embargo on U.S. trade with Cuba effective 12:01 A.M. EST, February 7, 1962, under the authority of Section 620(a) Foreign Assistance Act of 1961. Exports of certain U.S. food-stuffs, medicines and medical supplies to Cuba will continue to be permitted on humanitarian grounds.

Big "E" -- continued from page 2

Nominations for the "E" award for expansion of agricultural exports, including products processed from agricultural commodities, may be submitted to the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D.C. Industrial nominations may be submitted to the field offices of the U.S. Department of Commerce. Firms or individuals may be nominated by others, or nominate themselves.

There are two types of awards: (1) The President's "E" Award, and (2) the President's Certificate of Service. Eligible for the latter are persons, firms, and organizations who contribute to export expansion but who are engaged in activities other than marketing.

Criteria in making the awards include:

1. Demonstrating a substantial increase in export sales on a sustained basis.
2. Successfully introducing a new product into U.S. export trade.
3. Developing a market abroad for an existing product not previously exported.
4. Effectively entering a foreign market where competitive conditions are extremely difficult.
5. Opening a new trade area previously closed to American competition.

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